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# Contra-Aid Office Set Up By Reagan

## *Anti-Sandinista Rhetoric Toned Down*

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SANTA BARBARA, Aug. 30— President Reagan announced creation of an office today to administer "humanitarian aid" to rebels fighting the government of Nicaragua. His carefully worded statement avoided militant language he has often used in opposing the leftist Sandinista regime.

"This administration is determined to pursue political, not military, solutions in Central America," Reagan said. "Our policy is and has been to support the democratic center against extremes of right and left and to secure democracy and lasting peace through internal reconciliation and regional negotiations."

The Nicaraguan Humanitarian Assistance Office, operating under State Department supervision, is to funnel \$27 million in assistance to the counterrevolutionaries, known as contras.

According to the congressionally approved compromise under which the aid was provided, it is restricted to food, medicines and nonmilitary supplies and may not be administered by the Central Intelligence Agency or Defense Department.

White House officials said today's statement in Reagan's name was

drafted by the State Department. It contrasted with Reagan's rhetoric and that of White House speechwriters who have referred to the contras as "freedom fighters" and compared them to heroes of the American Revolutionary War.

Reagan's statement called the rebels "the democratic resistance," which he said came into being because the Sandinistas tried to make Nicaragua a one-party state after they overthrew of the dictatorship of Anastasio Somoza in 1979.

Reagan said money appropriated by Congress for the contras recognizes "desperate conditions" in Nicaragua.

"As Americans who believe in freedom, we cannot turn our backs on people who desire nothing more than the freedom we take for granted," he said.

A White House official said the administration is still searching for someone with "solid credentials" and the respect of Congress to direct the aid office.

Administration sources said that, of four or five mid-level State Department officials under consideration and on the basis of recent discussions between the administration and Congress, the front-running candidate appears to be C. William Kontos, a former director of the U.S. Sinai Support Force.

Orlando Llenza, director of the Agency for International Development mission in Ecuador, also is among those apparently being considered, some sources said.

Otto J. Reich, head of the State Department's Office on Public Diplomacy for Latin America and the Caribbean, had figured in speculation about the post, but the sources said Reagan has picked him to be ambassador to Venezuela.

*Staff writer John M. Goshko contributed to this report.*